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#### DEPARTMENT OF COMMERCE

International Trade Administration

A-822-806

Carbon and Alloy Steel Wire Rod from Belarus: Preliminary Affirmative Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of

Commerce

SUMMARY: The Department of Commerce (the Department) preliminarily determines that carbon and alloy steel wire rod (wire rod) from Belarus is being, or likely to be, sold in the United States at less than fair value (LTFV). The period of investigation (POI) is July 1, 2016, through December 31, 2016.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Rebecca Janz or Blaine Wiltse, AD/CVD

Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S.

Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone:

(202) 482-2972 or (202) 482-6345, respectively.

#### SUPPLEMENTARY INFORMATION:

### Background

This preliminary determination is made in accordance with section 733(b) of the Tariff Act of 1930, as amended (the Act). The Department published the notice of initiation of this investigation on April 26, 2017. For a complete description of the events that followed the

<sup>&</sup>lt;sup>1</sup> See Carbon and Alloy Steel Wire Rod from Belarus, Italty, the Republic of Korea, the Russian Federation, South Africa, Spain, the Republic of Turkey, Ukraine, United Arab Emirates, and United Kingdom: Initiation of Less-Than-Fair-Value Investigations, 82 FR 19207 (April 26, 2017) (Initiation Notice).

initiation of this investigation, *see* the Preliminary Decision Memorandum.<sup>2</sup> A list of topics included in the Preliminary Decision Memorandum is included as Appendix II to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <a href="https://access.trade.gov">https://access.trade.gov</a>, and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <a href="http://enforcement.trade.gov/frn/">http://enforcement.trade.gov/frn/</a>. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

## Scope of the Investigation

The product covered by this investigation is steel wire rod from Belarus. For a complete description of the scope of this investigation, *see* Appendix I.

# Scope Comments

In accordance with the preamble to the Department's regulations,<sup>3</sup> the *Initiation Notice* set aside a period of time for parties to raise issues regarding product coverage (scope).<sup>4</sup> Certain interested parties commented on the scope of the investigation as it appeared in the *Initiation Notice*. For a summary of the product coverage comments and rebuttal responses submitted to the record for this investigation, and accompanying discussion and analysis of all comments timely received, *see* the Preliminary Scope Decision Memorandum.<sup>5</sup>

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<sup>&</sup>lt;sup>2</sup> See Memorandum, "Decision Memorandum for the Preliminary Determination in the Less-Than-Fair-Value Investigation of Carbon and Alloy Steel Wire Rod from Belarus," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

<sup>&</sup>lt;sup>3</sup> See Antidumping Duties; Countervailing Duties, Final Rule, 62 FR 27296, 27323 (May 19, 1997).

<sup>&</sup>lt;sup>4</sup> See Initiation Notice, 82 FR at 19207-08.

<sup>&</sup>lt;sup>5</sup> See Memorandum, "Carbon and Alloy Steel Wire Rod from Belarus, Italy, the Republic of Korea, the Russian Federation, South Africa, Spain, the Republic of Turkey, Ukraine, the United Arab Emirates, and the United Kingdom: Scope Comments Decision Memorandum for the Preliminary Determinations," dated August 7, 2017 (Preliminary Scope Decision Memorandum).

## Methodology

The Department is conducting this investigation in accordance with section 731 of the Act. Byelorussian Steel Works (BSW), the only mandatory respondent in this investigation and part of the Belarus-wide entity, failed to respond to sections C and D of the Department's antidumping duty questionnaire. Thus, the Department relied on the facts otherwise available on the record. Additionally, because we find that the Belarus-wide entity did not act to the best of its ability to respond to the Department's request for information, we drew an adverse inference in selecting from among the facts otherwise available on the record. For further information, see "Use of Facts Otherwise Available and Adverse Inferences" in the Preliminary Decision Memorandum.

## **Combination Rates**

In the *Initiation Notice*, <sup>8</sup> the Department stated that it would calculate producer/exporter combination rates for the respondents that are eligible for a separate rate in this investigation. Policy Bulletin 05.1 describes this practice. <sup>9</sup> In this preliminary determination, because no respondent qualified for a separate rate, we did not calculate producer/exporter combination rates.

## Preliminary Determination

The Department preliminarily determines that the following estimated dumping margin exists:

<sup>&</sup>lt;sup>6</sup> See section 776(a) of the Act.

<sup>&</sup>lt;sup>7</sup> See section 776(b) of the Act.

<sup>&</sup>lt;sup>8</sup> See Initiation Notice, 82 FR at 19212.

<sup>&</sup>lt;sup>9</sup> See Enforcement and Compliance's Policy Bulletin No. 05.1, regarding, "Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations involving Non-Market Economy Countries," (April 5, 2005) (Policy Bulletin 05.1), available on the Department's Web site at <a href="http://enforcement.trade.gov/policy/bull05-1.pdf">http://enforcement.trade.gov/policy/bull05-1.pdf</a>.

Exporter	Estimated Dumping Margin (percent)
BELARUS-WIDE ENTITY <sup>10</sup>	280.02%

## Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, the Department will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of subject merchandise as described in the scope of the investigation section entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*, as discussed below. Further, pursuant to section 733(d)(1)(B) of the Act and 19 CFR 351.205(d), the Department will instruct CBP to require a cash deposit equal to the weighted average amount by which normal value exceeds U.S. price.

These suspension of liquidation instructions will remain in effect until further notice.

### Disclosure

Normally, the Department discloses to interested parties the calculations performed in connection with a preliminary determination within five days of its public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). However, because the Department preliminarily applied adverse facts available (AFA) to the Belarus-wide entity in this investigation in accordance with section 776 of the Act, and the applied AFA rate is based solely on information derived from the petition, there are no preliminary calculations to disclose.

1

<sup>&</sup>lt;sup>10</sup> As detailed in the Preliminary Decision Memorandum, BSW, the sole mandatory respondent in this investigation, did not demonstrate that it was entitled to a separate rate. Accordingly, we consider this company to be part of the Belarus-wide entity.

### Verification

Because the mandatory respondent in this investigation, BSW, did not provide information requested by the Department, and the Department preliminarily determines that BSW has been uncooperative, we will not conduct verification under section 782(i)(1) of the Act.

### **Public Comment**

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than 30 days after the date of publication of the preliminary determination. Rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs. Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this investigation are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, the Department intends to hold the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC, 20230, at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

#### Final Determination

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<sup>&</sup>lt;sup>11</sup> See 19 CFR 351.309; see also 19 CFR 351.303 (for general filing requirements).

Section 735(a)(1) of the Act and 19 CFR 351.210(b)(1) provide that the Department will

issue the final determination within 75 days after the date of its preliminary determination.

Accordingly, the Department will make its final determination no later than 75 days after the

signature date of this preliminary determination, unless extended.

**International Trade Commission Notification** 

In accordance with section 733(f) of the Act, the Department will notify the International

Trade Commission (ITC) of its preliminary determination of sales at LTFV. If the final

determination is affirmative, the ITC will determine before the later of 120 days after the date of

this preliminary determination or 45 days after the final determination whether imports of the

subject merchandise are materially injuring, or threaten material injury to, the U.S. industry.

Notification to Interested Parties

This determination is issued and published in accordance with sections 733(f) and

777(i)(1) of the Act and 19 CFR 351.205(c).

Dated: September 5, 2017

Gary Taverman

Deputy Assistant Secretary

for Antidumping and Countervailing Duty Operations,

performing the non-exclusive functions and duties of the

Assistant Secretary for Enforcement and Compliance

6

## Appendix I

## **Scope of the Investigation**

The merchandise covered by this investigation are certain hot-rolled products of carbon steel and alloy steel, in coils, of approximately round cross section, less than 19.00 mm in actual solid cross-sectional diameter. Specifically excluded are steel products possessing the above-noted physical characteristics and meeting the Harmonized Tariff Schedule of the United States (HTSUS) definitions for (a) stainless steel; (b) tool steel; (c) high-nickel steel; (d) ball bearing steel; or (e) concrete reinforcing bars and rods. Also excluded are free cutting steel (also known as free machining steel) products (i.e., products that contain by weight one or more of the following elements: 0.1 percent or more of lead, 0.05 percent or more of bismuth, 0.08 percent or more of sulfur, more than 0.04 percent of phosphorous, more than 0.05 percent of selenium, or more than 0.01 percent of tellurium). All products meeting the physical description of subject merchandise that are not specifically excluded are included in this scope.

The products under investigation are currently classifiable under subheadings 7213.91.3011, 7213.91.3015, 7213.91.3020, 7213.91.3093; 7213.91.4500, 7213.91.6000, 7213.99.0030, 7227.20.0030, 7227.20.0080, 7227.90.6010, 7227.90.6020, 7227.90.6030, and 7227.90.6035 of the HTSUS. Products entered under subheadings 7213.99.0090 and 7227.90.6090 of the HTSUS also may be included in this scope if they meet the physical description of subject merchandise above. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this proceeding is dispositive.

# Appendix II

# List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Period of Investigation
- IV. Scope Comments
- V. Discussion of the Methodology
  - A. Non-Market Economy (NME) Country
  - B. Separate Rates
  - C. Companies Not Receiving a Separate Rate
  - D. The Belarus-wide Entity
- VI. Application of Facts Available and Adverse Inferences
- VII. Conclusion

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